

From: michaelkaup
Sent: Saturday, August 15, 2009
Subject: Notice 2009-60

As initial information concerning my own credentials I would like to state that I am the owner/operator of a small bookkeeping and tax preparation business located in the rural community of Crane, Missouri. I have been in continuous operation since 1984 or approximately 25 years. I have carried a CAF number for over 15 years and a PTIN number for at least 4 years. I have never been sanctioned by the Internal Revenue Service to my knowledge and I believe I operate as professional and secure a tax preparation service for our clients as possible. I am not an Enrolled Agent or Certified Public Accountant. I am just a normal tax preparer (professional) whom you are discussing in this proposal. I am though a member of 3 professional tax preparation organizations and normally try to attend at least 8 to 12 hours of continuing tax education per year. Concerning the recently proposed licensing requirements for tax practitioners I would like to make the following comments in direct reply to the questions set forth in Notice 2009-60:

Question:: What types of individuals, entities, and professionals currently work as tax return preparers? How are their tax return preparation services currently monitored or regulated by professional organizations or the government? How could this monitoring and regulation be improved?

Reply:: Essentially under the current requirements anyone who wants to place themselves in business as a tax professional can do so just by obtaining a city or county merchants license (if that is even required), or advertising their services. For the majority of tax professionals that I know; we as individuals (and as a group) have found that the person who offers services in the preparation of income tax returns must keep up with current changes in tax law, stay current with efficient tax software, and ethically offer a secure environment to retain client information or that individual will eventually be without sufficient clients to stay in business. Naturally this process in itself takes more than one or two years to progress to the final outcome which does not help with an immediate solution to this problem. Currently; to my knowledge, regulation and/or monitoring of tax professionals in Missouri is so lax as to be non-existent. Without spending more money on services and personnel I do not know that any current or future regulations could be effectively enforced.

Question:: How do difference in regulation and oversight affect how the various groups of tax return preparers interact with the Service and taxpayers?

In terms of efficiency within the Service the more knowledge that the tax professional has then the Service personnel on the opposite end would have an easier time in understanding the information provided by the tax professional and possibly to expedite and solve the taxpayer clients' problem in a more expeditious manner. In my experience I have found that the more I can demonstrate my knowledge to the Service personnel on the other end of the telephone the easier it is for them to work with me toward a resolution to a problem.

Question:: Is there a minimum level of education and training necessary to provide tax return preparation services? If so, who should be responsible for ensuring that a tax return preparer meets this minimum level and how should that be done?

Reply:: Yes, I firmly believe that any tax professional today must have at the minimum the training and understanding of how to prepare a basic Form 1040 tax return and an understanding of the ethics and security requirements involved with being the custodian of client information. As to who should administer this service I am honestly not sure. If the Service is required to administer this process then under current funding levels and information systems available within the Service I do not believe that this could efficiently be handled.

Although this would be the best option for administration since the Service already has the data available to monitor the return preparation process up to and including the preparer of any subject tax return.

Question:: What, if any, service and outreach should be provided to tax return preparers and taxpayers? Who should provide (and bear the costs for) these needed services?

Reply:: I believe that this is a continuation of the prior question in that the same organization entrusted with training and monitoring the tax return preparation process should also be able to provide (or at least outsource to other capable companies) the initial training, testing, and

continuing education requirements of the then licensed tax professionals. The cost for these services would be passed on to the licensed tax preparers who I am sure will ultimately pass these additional costs on to their taxpayer clients since any fees that are charged to the licensed tax professionals will be passed on to their individual clients as part of an annual overhead cost of operation increase.

Question:: Should tax return preparers be subject to a code of ethics, and, if so, what specific behavior should that code promote or prohibit? How would that code of ethics interact with existing ethical standards that may already be applicable?

Reply:: Yes, quite definitely. I believe that the very same code of ethics is already in place within Circular 230.

Question: What, if any, responsibility should the firms or businesses that employ tax return preparers have for the conduct of the individuals they employ?

Reply:: The firm or company hiring the tax return preparer should be liable for the conduct of their employees. The hiring company should be responsible enough to verify that the tax return preparer they hire is or will be licensed by the appropriate licensing agency within 2 months of hiring and will actively prepare no tax returns until that initial training and licensing process is completed.

Question:: What, if any, responsibility should tax return preparer professional organizations have for the education, training, and conduct of their members?

Reply: These organizations could be a perfect vehicle for the initial training and continuing education requirements since it behooves these organizations to stay just as current (or more current) than their members in tax knowledge. Essentially, these organizations already have in place procedures for the training and conduct requirements of tax professionals (although I do believe their current testing formats may be too strict for an initial entry level tax preparer). I do not believe they should be held accountable for the conduct of their members though.

Question:: If tax return preparation services should be regulated, what, if any, special regulatory provisions should be made for individuals who are already tax return preparers, licensed attorneys, certified public accountants, enrolled agents, or software providers?

Reply:: All current tax return preparers who have been in continuous business for the last 10 years or are currently licensed under any of the other above designations should be automatically licensed as tax preparers (or whatever designation is finally agreed upon). My rationale for the 10 year period is that any individual who has been actively preparing income tax returns for that length of time has to have completed some sort of continuing education over the years to stay on top of tax law changes, been in business long enough to understand the requirements of client record retention and client record security, and the ethical conduct of his own business. Quite frankly most honest individuals will not return to a tax preparer unless the preparer has some form of ethical conduct in their business endeavor. Software providers should be held accountable to at least the current requirements for their software accuracy for electronic filing requirements.

Question:: What, if any, additional legislative, regulatory, or administrative rules should the Service consider recommending as part of its proposals with respect to the tax return preparer community?

Reply: Beyond the direct requirements for legislation and regulations concerning the direct licensing process to keep track of tax professionals and specific continuing education and ethics training requirements that they would need to meet there should be some form of sanctions available on a graduated scale in relation to the severity of any offense; and of the preparers infraction concerning the rules of licensing and/or training, of the action performed by the licensed preparer. That area I am unable to propose at this time since this discussion seems to be more related as to whether tax preparers should be licensed or not. As a synopsis, what I would propose is the following system of licensing based on an initial proficiency exam for all new and current tax professionals who have less than 10 continuous years of tax preparation experience. Those tax return professionals having more than 10 years continuous tax preparation experience should be "grandfathered in" since they have already demonstrated their proficiency in tax preparation by being in a continuous business for that length of time. And it would be a disaster waiting to happen to try and test and license the over 1 million current tax professionals in the

United States of America. And an outright insult to those tax preparers who have devoted so many years to this profession to simply say: "We do not believe you have the experience after this many years to prepare a tax return". I do believe that the initial exam should test the very basic proficiency of the tax professional (say with the test comparable to the preparation of a basic 1040 tax return). All licensed tax preparers should be subject to a minimum of 12 hours of continuing education per year commencing with their second year of licensing. I do believe there should be a charge for the licensing process; but at the same time that charge should not be excessive or onerous on the tax preparer. I would suggest a possible charge of \$200.00 for the initial license and test fee combined with a continuing annual renewal fee of \$100.00 per license.

From: Leesie Goss
Sent: Saturday, August 15, 2009
Subject: Tax preparer qualifications

Hi,

I am a tax preparer who reads the latest information about tax changes from information received in my e-mail from the IRS. I feel that putting all sorts of requirements on me this late in the year is unfair. I don't have time to take classes for three months (I attend update classes) and if there are going to be any changes at all as to who can and cannot prepare taxes, these changes shouldn't affect the 2009 tax return preparers but it would be fine if these changes went into effect for preparers that would be preparing the 2010 tax returns as long as we were notified of the change in requirements well in advance.

Thank you.
Leesie Goss
RCU – Moholt

From: Michael Chase
Sent: Saturday, August 15, 2009
Subject: Notice 2009-60 – Comment

IRS Commissioner Shulman,

Following are comments in favor of National Tax Preparer Licensing.

As a Licensed Oregon Tax Consultant, I know the value of the initial training, testing and ongoing yearly education to keep your skills and license current. Also, grandfathering the Attorneys, CPAs, EAs and Oregon Licensed Preparers and Consultants because of the training and testing procedure already in place makes sense. Oregon's training requirements, testing, licensing and enforcement has been in place for many years and is a very workable model for national licensing.

Michael G. Chase
Oregon Licensed Tax Consultant

From: Accountax School of Business, Incorporated
Sent: Saturday, August 15, 2009
Subject: Responses to "Notice 2009-60"

CCPA:LPD:PR (Notice 2009-60),

Re: Responses to "Notice 2009-60"

In response to the request for comments, please note the following;

I. What types of individuals, entities and professionals currently work as tax return preparers? How are their tax return preparation services currently monitored or regulated by professional organizations or the government? How could this monitoring and regulation be improved?

Response:

As a former IRS Agent and a tax practitioner for twenty eight years, I have witnessed services being provided to clients by preparers who have degrees, training, and experience in the profession, as well as those who have no degree and no prior experience but have taken short courses in tax preparation. I have also witnessed preparation services by those who use tax software to guide them in the preparation process. These tax preparers have absolutely no knowledge of tax preparation.

Tax practitioners who are not registered and who are not Enrolled Agents are not monitored. Only those tax practitioners, who have PTIN's and use those identifications to e-file tax returns have some form of monitoring and can be identified by the IRS. Most tax practitioners who are not Enrolled Agents or CPA's do not belong to any professional organization. The monitoring and regulation process can be improved by first identifying tax preparers. In order to identify tax preparers they have to make known their identity. There must be some incentive in place to encourage tax preparers to identify themselves. This incentive could be in the form of a contractual relationship between tax prepares and the IRS or some other form of recognition.

II. How do differences in regulation and oversight affect how the various groups of tax return preparers interact with the IRS and taxpayers?

Response:

Most tax practitioners, I have conferred with, prefer not to become regulated by any organization. They feel they work better representing clients when under less scrutiny by any governmental organization. These practitioners are not privy to going to examinations with clients prefer not to become involved with making certain IRS communications on a client's behalf. There are some practitioners who do not sign returns, do not use their PTIN's, and really do not want to be identified.

III. Is there a minimum level of education and training necessary to provide tax return preparation services? If so, who should be responsible for ensuring that a tax return preparer meets this minimum level and how should that be done?

Tax accounting is a very specialized field of endeavor. There should be a two year minimum level of education and experience, respectively. Those who pursue degrees in accounting and taxation and have accumulated a number of years of experience should be allowed to become certified as tax practitioners or Enrolled Agents based on this criteria, without having to take EA examination. However, these practitioners should be required to take the Representation and Practices a section of the EA Examination. The EA examination is a very concentrated examination that most tax preparers, who have been in the field and those who are not test takers, refraining from taking. Those who do not pursue degrees and have not acquired any experience in the field should be required to pursue some form of formal training through an occupational tax program and gain a two year minimum amount of experience in the field. All tax practitioners like Enrolled Agents, CPA's, and other professionals should be required to take continuing professional education every year. Organizations that provide training and continuing professional education to tax practitioners should be responsible and accountable for reporting, to the IRS, practitioners who pursue tax education.

IV. What, if any, service and outreach should be provided to tax return preparers and taxpayers? Who should provide (and bear the costs for) these needed services?

Response:

As practitioners, we are the main link and liaison between the IRS and the taxpayer. There is

a real concern with tax practitioner certification, taxpayer representation, tax practitioner exposure, tax practitioner identification, and taxpayer/tax practitioner compliance. The nucleus of these problems is; tax practitioners are not being provided with outreach services from the IRS. We are working for ourselves and the client and not as a whole unit. We should be networking with the IRS. In order to encourage a relationship between the tax practitioners who represents the client and the IRS, there has to be some form of outreach where some form of compensation is provided. In essence, the IRS should develop a program or a division that hires tax practitioners as independent contractors. Like Revenue Agents who work internally representing the taxpayer and the IRS, these independent contractors would work externally representing the taxpayer and the IRS. The IRS should bare this cost. As a part of this affiliation with the IRS, tax practitioners will be encouraged to gain certification, provide more efficient and effective services to taxpayers, and comply with IRS rules and regulations.

V. Should tax return preparers be subject to a code of ethics, and, if so, what specific behavior should that code promote or prohibit? How would that code of ethics interact with existing ethical standards that may already be applicable?

Response:

Tax preparers should be subject to a code of ethics, like all other professionals. The existing ethical standards, set in place, effectively address the code of ethics. The Enrolled Agent code of ethics should be applicable to those practitioners who are not enrolled. However, in order encourage and enforce the ethical standards unenrolled practitioners must first be recognized. The problem with enforcement is; the IRS does not know who these practitioners are. In order to bring these practitioners to the light and to encourage compliance, there must be some form of IRS outreach in place.

VI. What, if any, responsibility should the firms or businesses that employ tax return preparers have for the conduct of the individuals they employ?

The firms should verify that tax return preparers have the educational background and experience to be employed as tax preparers. The firms should also have in place continuing professional education programs for tax preparers to stay abreast of tax laws and tax regulations. Unless an employer offers an in house training program, the requirement for employment should be a two year minimum level of education and training, respectively.

Response:

VII. What, if any, responsibility should tax return preparer professional organizations have for the education, training and conduct of their members?

Response:

Professional organizations should verify a tax preparer's educational background and experience in the profession. Professional organizations should also have in place continuing education programs for tax preparers to stay abreast of tax laws and tax regulations.

VIII. If tax return preparation services should be regulated, what, if any, special regulatory provisions should be made for individuals who are already tax return preparers, licensed attorneys, CPAs, enrolled agents, or software providers?

Response:

Individuals providing tax preparation services should have a two year minimum level of education and training, respectively. Those who pursue degrees in accounting and taxation and have accumulated a number of years of experience, should be allowed to become certified as tax practitioners or Enrolled Agents based on this criteria, without having to take EA examination. However, these practitioners should be required to take the Representation and Practices a section of the EA Examination. All licensed attorneys and CPA's do not prepare taxes and do not have experience in the field. These professionals should also be required to pursue training and experience in the field.

Enrolled Agents, Tax Attorneys, and CPA's who specialize in taxation are the only professionals who have acquired the credentials showing certification, concentration, and specialization in the field of taxation. Software providers are not necessarily tax practitioners who have acquired the theory and practice in the field of taxation. Therefore, as with Enrolled Agents, other practicing professionals who represent clients in the field of taxation should be regulated under the same provisions.

IX. What, if any, additional legislative, regulatory or administrative rules should the IRS consider

recommending as part of its proposals with respect to the tax return preparer community?

Response:

I think the legislation, regulations, and administrative rules are already in place. What is missing is the outreach to the tax practitioner community. We need to hear from the Internal Revenue Service. We need more input on how we can help tax payers to comply with filing issues; paying tax liabilities, representation at examinations, representation in tax court, and filing offers and comprise. In essence, the IRS should develop a program or division that hires tax practitioners as independent contractors. Like Revenue Agents who work internally representing the taxpayer and the IRS, these independent contractors would work externally representing the taxpayer and the IRS. As stated in response IV, we are the direct link to the tax payer. We should be networking with the IRS. We would like to see more of a relationship between the tax practitioners, who represents the client, and the IRS; Not just the representation at an examination. As a part of this affiliation with the IRS, tax practitioners will be encouraged to gain certification, provide more efficient and effective services to taxpayers, and comply with IRS rules and regulations, and encourage the taxpayer to do the same.

Sincerely yours,

Marlene Murphy

Marlene Murphy, Business Professor and Tax Accountant

From: Wally
Sent: Monday, August 17, 2009
Subject: 2009-60

FROM WALLACE W CHRISTIAN EA NO. 2007-60601

NOW IS SEEMS ANYBODY CAN A COPY OF TURBO TAX AND DECLARE THEY ARE TAX PREPARERS. ALL PREPARERS SHOULD BE EDUCATED IN ALL ASPECTS OF TAXES. MAYBE NOT TO THE EXTENT OF A CPA, TAXLAWER OR EA. BUT MIMINUM EDUCATION SHOULD BE PROVEN. WHY SHOULDN'T ALL PREPARERS HAVE TO ADHERE TO CIRCULAR 230. THAT REQUIRES ANNUAL CPE.

THANKYOU FOR THE OPPORTUNITY TO PERTISEPATE.
WALLACE W CHRISTIAN
Notice 2009-60

From: Donna Wallace
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

I am Certified in Income Taxes, have a Degree in Business Administration, Accounting, and Taxation, and just took the CPA Exam. I have read through some of the ideas on paid tax preparer reform. One of these that caught my attention was to have paid tax preparers take exams for Taxation and Ethics. I am totally against this idea – because if you have a tax preparer that is dishonest and unethical, they will go take the exam and pass it, and then go right back to being dishonest and unethical. I'm sorry, but this just won't work. The public needs to be better educated about their income taxes – so they can spot a preparer that isn't honest and isn't ethical, and they need to be told that there is a place they can go (a website) to complain about their tax preparer. Then the tax preparer could be investigated and after so many complaints, be suspended from doing taxes for a certain period of time. When I prepare taxes, I am totally honest and totally ethical. I go by the IRS and State laws, to the tee. I constantly read the IRS website for changes, the State website for changes, and I have never put any information on tax return that wasn't true. I don't feel that testing tax preparers is the answer. If you have dishonest and unethical preparers, they'll just continue doing the same thing over and over, even if they're tested. There needs to be a different way to go about tax preparer reform. I believe public education for the taxpayer is the best way. I've been on both sides of the coin -- I've seen unethical and dishonest CPA's and tax preparers and have had the chance to correct tax returns that were prepared by others because of their dishonesty and lack of knowledge and being unethical. I really would like to participate in the forums, but I cannot travel. I'm just starting my own tax and accounting business, and I can't be away from my clients, or the clients that may want to sign with me. Tests for paid tax preparers are NOT the way to go.

Donna Wallace
Wallace Taxes & Bookkeeping

From: WAYNE LEDGER
Sent: Monday, August 17, 2009
Subject: "Notice 2009-60"

To Whom It May Concern:

While I understand concerns with preparers that are unscrupulous in their tactics and bending all the rules I don't think the majority of those of us small time preparers are breaking the laws. I am sure most use computer programs that help to minimize errors, certainly errors can occur through software errors, data entry, etc. Certifications will not stop those that are going to be dishonest, they will continue to do so. Rather certifications will only serve to put many small time preparers such as myself most likely out of business. I suggest that IRS must have records of the preparers that have prepared and signed erroneous returns, what not notify those preparers that they must cease and desist until they complete a review process and certification. I myself use computer software and follow the guidelines within the software and review current year changes and if I happen to bump up upon a situation that I am unsure about I study and review the IRS regulations. It also seems that time is growing short for this to be ready for the 2009 filing.

Thank you for you time.

From: Gerald Weiss
Sent: Monday, August 17, 2009
Subject: Notice 2009-60 Comments

Comments on your questions:

1. Due to the complexity of current federal tax laws all federal tax preparers should be regulated under a single government authority. This will minimize tax fraud and increase voluntary tax compliance.
2. There should be a minimum level requirement to be authorized as a licensed tax preparer:
 - 1) An IRS tax examination in the areas of practice or 2) an IRS approved provider education course and test. For example, the IRS has a computerized examination conducted by a specific provider with fees paid by the applicant. California tax preparer registration has a required 60 hour approved provider education course with a 70% closed book test passing grade. The education and test is performed by an approved provider with fees paid by the student. There could be an option for the education and test requirement to have been previously taken as long as it met current requirements and there is verification along with a continued education history since the test was taken. The verification could be done by the approved education providers.
3. There should be no grandfathering of currently unlicensed tax preparers based solely on experience. Rather only currently licensed tax preparers who have taken a State licensing or IRS tax examination would be grandfathered. Examples would include those either licensed by a State authority(example CPA's, tax attorneys, or current States requiring a satisfactoring tax preparer licensing test) or a federal authority (example IRS enrolled agents).
4. All licensed tax preparers should be subject to a background check.
5. All licensed tax preparers should be subject to Circular 230 ethics, continuing education, and standards of practice requirements.
6. The requirements for representation would remain the same as current Circular 230 (e.g. CPA's, EA's, attorneys).
7. The licensing requirements could be phased in over a period of time for example 3 years.

Gerald R. Weiss CFP®,EA

From: Wanda Mix
Sent: Monday, August 17, 2009

I HAVE BEEN A TAX PRACTITIONER FOR ALMOST 50 YEARS. I BELONG TO NATPAND NSA. HAVE BELONGED TO IAAI. I ATTEND SEMINARS EVERY FALL AND AM ONLINE WITH IRS AND ASSOCIATIONS. I CARRY INSURANCE AND HAVE A SMALL BUSINESS WITH APPROXIMATELY 100 CLIENTS. I WANT TO FINISH THIS YEAR (2009) AND THEN POSSIBLY RETIRE. I HAVE NEVER HAD TO USE MY INSURANCE NOR MADE ERRORS ON RETURNS. I DO ELECTRONIC FILING AND SINCERELY HOPE YOU WILL TAKE INTO CONSIDERATION THE PEOPLE IN MY CLASS. I USE A WELL KNOWN TAX SOFTWARE. PLEASE ACKNOWLEDGE THIS E-MAIL.
WANDA VOELKER, VOELKER TAX SERVICE

From: Kimberly Brinkman-Peck
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

I think there should be some required standards for preparing a tax return for the public BUT I do not think there should be a mandate that you have to be only an EA/CPA/Lawyer,etc. to do so. I am an Accredited Tax Preparer and as such I am required to submit a minim of 72 CPE hours in 3 years to keep the destination and I still do not hold the rank of practicing before the IRS via Treasury Circular 230, why is that?

Thank you for your time.
Kimberly A. Brinkman-Peck,ATP

From: margaret farmer
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

I am a former PAID tax preparer. I prepare some family and close friends tax returns, just for the enjoyment of doing taxes, free of charge. I think it would be nice if a free volunteer could sign a return, therefor letting IRS know that the return was prepared by someone else. Last year I prepared only 13 returns on my PC but Turbo tax (that I had purchased) would not let me send more than 5 returns as efile. The others had to be mailed. Is this a IRS ruling or is Turbo limiting the e-filing to get one to buy the software?? It would to file e-file and save time & paper. What does the IRS volunteers that file for seniors do about signing those returns? I am a senior myself (age 79).

Thanks Margaret

Sent: Monday, August 17, 2009
Subject: Notice 2009-60

With regard to the oversight of tax returns preparers, I currently have my CPA, CFP, Series 7 and 66 and Life, Health and Variable Annuity Insurance Licenses. This means I am required to take 5 different ethics courses. As it is the state of Florida fined me for not taking the correct ethics course, although I took an ethics course which qualified for insurance continuing education. In addition I also take more than 100 hours of continuing education every 2 years. To make me, as a CPA, take additional ethics course or additional continuing education would be ridiculous. It wouldn't make me any more ethical.

There are many people out there that are not qualified to do income taxes, but CPA's have more education and on the whole tend to be more conservative and ethical than most. Therefore it is important that any new rules you apply are not duplications of the ones that CPA's already follow.

Thank you, Mary Sybil LaMoreaux, CPA, CFP

From: AGTAX
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

As a member of the Oregon Association of Tax Consultants and the National Association of Tax Consultants, I believe it is important for tax preparers to have the education and training necessary to provide accurate information to the public and to prepare accurate income tax returns. Oregon is at the top of the class when it comes to regulations required in order to prepare tax returns in Oregon. The Oregon Office of Tax Practitioners governs the code of ethics and education to be followed in our state. Oregon is an excellent example to use if there will be a national licensing requirement. Since Oregon preparers are required to be licensed and obtain a minimum of 30 hours of education per year, the consultants in Oregon should be exempt (or grandfathered in) if a national licensing law comes into effect. Other professionals such as Enrolled Agents, CPAs etc that must provide a minimum of yearly education in tax law should be exempt as well. Each state can provide their own tax board and regulate the preparers in their own state. If the federal government wants some input as to requirements, they can relay that information to the states to incorporate in their tax board regulations. Tax Consultants should be able to move between states with limited new testing requirements. The Internal Revenue service in the Oregon area has been outstanding in providing quality education for our tax association. It is important for the IRS to continue to provide whatever assistance at no charge to the public in order to assure as much compliance as possible.

Please advise if you wish more input.
EE Gough, LTC

From: Sharon Bring
Sent: Monday, August 17, 2009
Subject: Practitioner comments

I am not an enrolled preparer but have been doing income taxes for over 40 years. My hope is that you don't make us all become "enrolled" preparers as I am now 62 and take my work very seriously. I go through the income and expenses very carefully and do not fudge the figures in any way and do not allow expenses that I feel don't qualify. I get very disappointed when I hear stories from other people of how their tax preparer put items in that they had not bought and "pegged" in expense items to make their income lower that they did not spend. I've also heard of them adding items to the depreciation schedule. There is also a host of people out there not reporting income hidden by no 1099's for corporations and another lot that give 1099's when they should definitely by W-2's. My belief is that there should be more audits that would catch this kind of behaviour. If you go through an audit in which the preparer is questionable, my hope would be that you would check out more returns that preparer did.

Thanks for listening
Sharon Bring

From: Jerry Davies
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

In my 25 years in practice i have seen a lot of improperly prepared tax returns because the preparer was incompetent and relied on the software to do the work. We all know the fallacy here. The tax payer was not knowledgeable enough to catch the errors. The IRS did not catch the errors in many cases because they were not obvious errors or were not material. If a minimum education and testing and ongoing periodic education were required of all preparers, this would greatly reduce the incompetence involved in tax preparation. Additionally, i asked a speaker at a national irs forum last month in Orlando, why the IRS accepted tax returns without proper identification of the preparer and he could not answer me other than to say it is the IRS main position to process returns as rapidly as possible. Every return processed without proper identification of the preparer should be followed up on after the return is processed. This should be a minimum *in* trying to strengthen compliance and accuracy of tax preparation.

Jerry Davies, CPA
Davies & Kerr Consulting, Inc

From: Patrick Hurley
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

I believe all tax preparers including those in Oregon should take the same style of test as an Enrolled Agent. All licensed tax preparers should be tested on Ethics, Partnerships, Corporations and Fiduciary returns. I am a Licensed Enrolled Agent since 1982 and a recent Licensed Tax Consultant in Oregon. In the month of July, I did 17 individual amended returns and 13 of them were individual returns prepared by Oregon LTC's. Three LTC's would not return client paper work until I called them and threatened them about ethic violations and was informed that they were not controlled by IRS guidelines. I then proceeded to read them the instructions for an Oregon Licensed preparer and then finally returned the clients paper work. Oregon only looks at the individual preparation and not the other types of returns and most LTC's prepare partnerships and corporations, without training. Grandfathering should only be for Attorney's, CPAs and EAs. Ethics should be for everyone and the preparer penalty should cover every individual that prepares any type of tax return.

*Patrick J. Hurley, E.A.
Hurley's Tax Service*

Sent: Monday, August 17, 2009
Subject: Notice 2009-60

Greetings,

I am emailing to offer some suggestions regarding tax preparer standards.

- 1) Require all tax preparers to use the IRS assigned i.d. number ONLY.
- 2) Require all tax preparers to contact the IRS each year confirming the address of their office(s). Also the tax preparers should verify the type of returns they prepare.
- 3) Require all tax preparers to take continuing tax education each year i.e. the NATP 1040 forum which is 8 hours.
- 4) The IRS should maintain a list of tax preparers just as they have information about enrolled agents.

Thank you for your attention to this matter.

Anne Damico

SLOUGH CONNEALY IRWIN & MADDEN, LLC

From: James Cannon
Sent: Monday, August 17, 2009
Subject: preparer standards

Not exactly a preparer standard, but I would like to see a limitation of deductions for car, truck, and travel expenses that are not allowed to exceed Schedule C revenue if that taxpayer also has another full time job. If that is not possible, then the preparer should retain in the records written evidence to support the deduction.

From: Damin Sutherby
Sent: Monday, August 17, 2009
Subject: Comments

As an Enrolled Agent I've met clients regularly that come from other, much less qualified preparers. Ignorance and unprofessionalism hurt the clients, the Service and the profession. I believe training and testing are the minimum qualifications needed for every paid preparer.

August 17, 2009

Re: CCPA:LPD:PR (Notice 2009-60)

I encourage the "registration" of tax preparers. An exam should not be required for registration. I concur with the ACAT position with the exception of the required exam. An exam should be required for "licensing" only. Registration should permit all tax preparation by the tax preparer. CPE requirements should be implemented. I have been a tax preparer for 30+ years. I conform to the PICPA CPE bi-annual requirements of 80 hours.

Gregory Ott

From: Alice Dotterer
Sent: Monday, August 17, 2009
Subject: *IR* 2009 -074

As a 30-year licensed tax preparer in Oregon, it's absolutely beyond comprehension that anyone would prepare taxes for a fee without having passed two tests as we need to in Oregon and worked two years in a licensed tax firm. The income tax portion of the CPA exam is inferior in this state to that of the two exams which need to be passed by preparers who are not CPAs.

From: Barbara Wood Murphy
Sent: Monday, August 17, 2009
Subject: Notice 2009-60

To Whom It May Concern:

I believe strongly that IRS Enrolled Agents, CPA's and Attorneys should be the only allowed Tax Return preparers other than Self prepared returns. They are bound by Circular 230 and as in the case of IRS Enrolled Agents, are Federally licensed, required to take the largest amount of Continuing Education requirements regarding "tax" and they are actually held to the highest standards. In addition these 3 types of professionals should be the only ones to Efile other than self preparers. I believe this would cut back substantially on the fraud occurring. Why not just limit who can prepare returns? Hopefully it could save money for the IRS budget if you only had to regulate only 3 types of preparers. Why should there even be allowed uneducated and unlicensed preparers ? If you can't pass the Enrolled Agent exam then you shouldn't be allowed to prepare anyone's returns. Not with this amount of fraud going on. Maybe it was workable 30 years ago, when honesty and integrity were actually something of importance in our society. But that is all gone now. I believe the 3 types of preparers are a good solution for the IRS for other reasons. One, It would simplify the regulation, and it would shift the regulation on to people who are professionals, who want to do the best, most accurate job and are not only bound by it but believe in the law. Two, unregulated preparers have no education, no credentials and don't deserve to have the same status of the 3 types of preparers regulated by Circular 230. Three, our society is now a mess. The younger people for the most part, place no value on education, integrity, honesty or hard work. We all know that this is true, but we don't want to talk about it publicly. They, like we had to, must prove themselves through testing, education and regulation that they can be Circular 230 preparers. With regards to the huge problem of self prepared returns, I am sure those have also become a mess for the IRS. Now people can put anything they want on their returns. So many people have no regard for honesty. Lying, cheating and doing what ever they see fit to cheat the government is part of the new normal. After 23 years in the tax business, I have seen a substantial shift in the younger taxpayers trying to cheat the government. I have to send young people away, because they want to make up their own laws - it is absolutely flabergasting what they come up with! These young people make up their own rules that are heresay from their young friends that they hang out with or work with. It is a huge problem. I think this problem could be worked out somewhat by much public education, and marketing of the IRS and the rules that you are bound by. Why is everyone in public life so afraid to stand up for the laws of our country? If the Congress wants you, the IRS, to collect all this money, then they need to speak about the laws honestly and explain to these young people that their tax payments are part of keeping our country strong. They think it is just a joke and could care less. It makes me sick. As I wind down my final years of tax preparation, I would like to help in any way that I can. I know that I am a small preparer and I don't even charge very much money, but I think of my business as a small sample of the middle class. I have seen a definite major cultural shift in the attitudes of the younger people and I know it is a monumental problem for all of you. Please let me know if I can help you in any way.

Thank you for the opportunity to write to you.
Barbara Wood Murphy
Internal Revenue Service Enrolled Agent
Wood & Co. Income Tax & Accounting, LLC

From: Dan Jeter
Sent: Monday, August 17, 2009
Subject: Preparer Licensing
Attachments: taxlic.doc

Attached are my comments on licensing as well as the text that follows as a part of this *email*.
Thank you for your consideration.
Dan Jeter

Before the issue of tax preparer licensing is addressed, our tax practice needs to be described to provide a perspective. We are a consumer finance company that offers tax preparation services primarily to our customers. Over the past 20 years that we have been licensed with an EFIN, we have prepared more than 182,300 returns in our 18 offices. Our managers have a combined 258 years of income tax preparation experience or an average of 14+ years at each location. We are proud of the service we provide our customers as we are available 12 months of the year, and we believe that they are happy with us. Our customer market may be classified as underserved or unbanked. Less than 30% of our customers have bank accounts. These customers would not be comfortable in the office of a CPA or EA nor could they afford to go to a CPA. If we were not available to our customers, their options would be severely limited. We would support licensing and continuing education requirements. Our supervisors already attend the IRS Tax Forums, NATP workshops, and our software company's school. To do less than that would not be representing our customers in the manner they deserve. Testing is another issue. The returns we prepare are similar in nature with similar schedules. The returns may be individual returns but the focus of the return is very narrow. We constantly tell our managers to refer a return that they feel exceeds their qualifications to another preparer rather than become involved with a return they are not comfortable. In reviewing the test questions for the individual portion of the EA exam and Oregon's licensing test, the material that the test covers is beyond our range of returns prepared. Testing us on the same basis as an EA or Oregon preparer would drive us out of business. If we were tested out of business, to whom would our customers turn?

Licensing and continuing education should be required. Testing and its ramifications should be seriously studied as the results may bring on unintended consequences. Of course, a grandfathering clause is always an option. The Modern e-file platform offers the greatest possibilities for improving the quality of the tax return. Understand the new platform may offer the ability to link the return and its content to the preparer. If that is the case, a grading system could be implemented that would identify returns with errors, amended returns, etc. The IRS or OPR would then be in a position to take corrective action against an ineffective or unscrupulous preparer ranging from education to suspension. The grade for preparers should be posted which would allow the consumers to evaluate the preparers that they will trust with their business. The preparers you want to continue in the business are already striving to get the return right. Please do not take actions that would eliminate a resource for our customers or one that has helped to grow the electronic filing system. Before the issue of tax preparer licensing is addressed, our tax practice needs to be described to provide a perspective. We are a consumer finance company that offers tax preparation services primarily to our customers. Over the past 20 years that we have been licensed with an EFIN, we have prepared more than 182,300 returns in our 18 offices. Our managers have a combined 258 years of income tax preparation experience or an average of 14+ years at each location. We are proud of the service we provide our customers as we are available 12 months of the year, and we believe that they are happy with us. Our customer market may be classified as underserved or unbanked. Less than 30% of our customers have bank accounts. These customers would not be comfortable in the office of a CPA or EA nor could they afford to go to a CPA. If we were not available to our customers, their options would be severely limited. We would support licensing and continuing education requirements. Our supervisors already attend the IRS Tax Forums, NATP workshops, and our software company's school. To do less than that would not be representing our customers in the manner they deserve. Testing is another issue. The returns we prepare are similar in nature with similar schedules. The returns may be individual returns but the focus of the return is very narrow. We constantly tell our managers to refer a return that they feel exceeds their qualifications to another

preparer rather than become involved with a return they are not comfortable. In reviewing the test questions for the individual portion of the EA exam and Oregon's licensing test, the material that the test covers is beyond our range of returns prepared. Testing us on the same basis as an EA or Oregon preparer would drive us out of business. If we were tested out of business, to whom would our customers turn? Licensing and continuing education should be required. Testing and its ramifications should be seriously studied as the results may bring on unintended consequences. Of course, a grandfathering clause is always an option. The Modern e-file platform offers the greatest possibilities for improving the quality of the tax return. I understand the new platform may offer the ability to link the return and its content to the preparer. If that is the case, a grading system could be implemented that would identify returns with errors, amended returns, etc. The IRS or OPR would then be in a position to take corrective action against an ineffective or unscrupulous preparer ranging from education to suspension. The grade for preparers should be posted which would allow the consumers to evaluate the preparers that they will trust with their business. The preparers you want to continue in the business are already striving to get the return right. Please do not take actions that would eliminate a resource for our customers or one that has helped to grow the electronic filing system.

Dan Jeter,

From: Mike Perkins
Sent: Monday, August 17, 2009
Subject: Preparer letter
Attachments: oledata.mso

I recently read with great interest, the comments made on July 30th, 2009, concerning the Tax Return Preparer Review Public Forum. All the comments from the various organizations all had valid points of concern. With that being said, I found that the comments from the National Association of Enrolled Agents, and the American Bar Association to be very biased, maybe to further the purpose of their organizations. Every organization has an agenda for their benefit. A little background about myself and my firm would be in order. My name is Michael W. Perkins. I have been preparing taxes professionally since 1987. I employ 4 full time employees and an additional 7 employees during tax season. All of my employees before being hired, were given 5 individual tax returns to process, all with a varying degree of difficulty. I am an unenrolled preparer, however my son is a CPA. All of my employees have taken at least a 15 week course, usually by H&R Block before being considered for employment. They then are given my 5 tests for competency. All of my employees are required to attend updated conferences for CPE credits. Including myself there are 9 preparers during tax season. Their experience ranges from 6-23 years. My firm is one of the oldest if not the oldest in the State of Indiana. Larrison's has been here since 1936. The former owner sold the firm in 1992 to two gentlemen that will be nameless for obvious reasons. I bought in from them after they realized they didn't have clue what they were doing. Number One was an accountant still going to school, Number Two had no experience other than he was Number One's friend. After 3 years of torture, Number Two sold out to Number One and myself. Three years after that Number One sold out his half to me. Number One on his departure had obtained EA status. The split was anything but friendly. Number One had embezzled company funds, and was preparing fraudulent tax returns, mainly concerning the EIC credit. He used fake addresses, and split kids, he used a "Standard Deduction" for Charitable Contributions for Schedule "A" filers. Good one! These are just a few manipulations during his brief tenure here. He currently owns his own firm with multiple offices, and has continued the same practices there. I have since cleaned up messes from his clients that a 1st year preparer should have known about. He has file returns by pay stubs, thus obtaining his clients RAL refunds. My point is that it does not matter if you are an Attorney, EA, Accountant, or CPA. If one wants to commit fraud, it will happen. I have filed several complaints to the IRS concerning Number One, but he still has a practice. I would encourage an open registration period whereas the IRS would assign or use the existing PTIN program. I would have a place at the bottom of the tax return, where the taxpayer signs stating the return was not prepared by an outside source. If testing becomes mandatory, then an open book test should be administered. Not everyone has a photographic memory. Tax professionals who practice before the court, have time to research tax law and previous court cases, and make notes. Software companies should be regulated, and only allow 1 return per software. You have people buying software and charging other people to do their tax returns. There's a tax gap. Finally, I would like to see a program where the IRS follows up on complaints from tax return preparers concerning other tax return preparers. You have a whistle blowers program in place. This might be the place to expand. The recommendations outlined by the National Association of Tax Preparers seem to be the most reasonable and common sense approach. As a whole, this is the approach I would recommend. In closing, if you are not going to enforce what we now have as an industry, please do not add more burden to the professional who in most cases is an honest person.

Michael W. Perkins
President

Sent: Tuesday, August 18, 2009
Subject: Tax preparers

I think all tax preparers should be covered by Circular 230. Thank you.

Sent: Tuesday, August 18, 2009

Tax preparer performance standards should be upgraded. However, these forums usually recommend laws that require those that do hold high standards and have many years in the profession now put in a position that since they are not CPA or attys then require preparers to get licensed and take on more education at high costs for knowledge and standards that they already possess. There should be a grandfather clause within the profession.

From: Lare, Frances
Sent: Tuesday, August 18, 2009
Subject: tax preparer reg

We need to address tax preparers who work by donation and don't sign the return, also all free tax, I believe an exam should be passed by everyone not a Cpa or EA maybe in different levels, so that some can prepare only certain forms and every preparer should have to have at least the CPE that is required by H&R Block.

From: Martha Briggs
Sent: Tuesday, August 18, 2009
Subject: Notice 2009-60

To Whom It May Concern:

In regards to the questions offered for public comment, I would like to submit the following:
In our market here in New Mexico, the majority of the tax preparers, excluding CPA's, are not trained sufficiently in either actual practice or ethics. Most have only received in-house training from their employer's. The National Franchise training, which I have taught, is much more comprehensive, but is not always sufficient for the more complex returns. The local preparers do not have any professional affiliations and there currently aren't any certifications required. Only the CPA's and EA's have any true interaction with an oversight association, and consequently they have a certification to lose if they are caught in ethical misbehavior. The teaching of ethics is all well and good, but will never be sufficient. You are either going to conduct yourself in a Professional and ethical manner or you are not. The larger problem is that the Loan Company's that offer RAL's and preseason tax loans(where there is no documentation), profit tremendously from the large refunds which are mostly EIC based, in this market. The Loan Companies can manipulate the clients, preparers and the regulations issued by the taxing authorities, for the express purpose of minimizing their losses and optimizing their profits. The penalties associated with this intentional manipulation should be sufficient to the INDIVIDUALS involved, that they will be prohibitive to any but the most brazen and for them, they should go to jail. There should be a National baseline certification, with graduated testing for complexity, by form. The ethical standards should also have a national base line testing. If there is certification based on proficiency, then the penalties can be based upon willful disregard of the rules as opposed to unintentional mistakes and client misrepresentation. The firms employing preparers should be required to be bonded and licensed on a state and federal level and be held accountable for the certification of their employee's, which can be quite expensive. The Individuals that have these certification's will be able to get a premium for their services. But when they sign a return, the liabilities of committing fraud, should be such, that they only sign good returns, that they have prepared. The rubberstamping of mass produced returns should be highly penalized. All firms offering RAL's and Preseason Tax Loan's should be audited on a regular basis, for signature and documentation requirements. Ultimatly the consumer is the best judge of the quality of service. When there is a definitive certification standard, those firms and preparers, that are not willing to participate will not be viable in the market place. Thank you for the opportunity to voice my opinion. I have over 13 years of experience as a preparer, teacher, and manager in this industry and currently have my own tax preparation business. I have helped many a client try to overcome the problems caused by preparers that make mistakes with very severe consequences, and then disappear, leaving havoc behind. Not all mistakes are intentional, but in this industry, where time is money, simple mistakes are overlooked and the intentional fraud that is occuring, goes unnoticed.

Sincerely,
Martha A. Briggs

From: Michael Hall
Sent: Tuesday August 18 2009
Subject: Notice 2009-60 comments from Roger Harris

Attachments: Notice 2009-60.docx; Plan for Regulation of Paid Tax Return Preparers.doc

AUG 20

Attached are Roger Harris', President and Chief Operating Officer of Padgett Business Services, comments regarding IRS notice 2009-60 regarding regulation of paid tax return preparers. Also attached is a plan for regulation of paid tax return preparers.

Michael Hall

Padgett Business Services
Public Relations

Padgett Business Services is pleased to present its comments on the standards of conduct for tax return preparers and for increased taxpayer compliance, as requested in notice 2009-60. Padgett supports the efforts of the Service as it looks for how best to register, regulate, or license tax return preparers in order to increase compliance and create sound, uniform ethical standards for the tax preparation community. In our comments we will offer our thoughts on the specific issues raised in your notice. In addition to those comments, we have included for your review our proposal on how your goals can be achieved.

Today, with the exception of Oregon, California, and soon Maryland, there are no licensing, experience, oversight, or educational requirements to charge for tax preparation. This creates a problem because virtually anyone can prepare tax returns for a fee. A tax preparer may voluntarily submit themselves to various levels of oversight. They can obtain a license by taking a test to become a circular 230 practitioner, or agree to the rules and oversight provided by an organization or company with which they choose to associate themselves. Each organization or company may require education, testing, or provide oversight for their members or employees, but it is left to the organization or company to decide on those requirements. Unfortunately, this creates a confusing set of standards that the taxpaying public cannot understand. This process should create minimum standards across the board for all tax preparers. But because there are many complexities associated with the different levels of taxpayers, multiple preparer classifications are needed. As is true in anything, a consumer, in this case the taxpayer, must be able to make an informed decision when choosing a service. Taxpayers should be informed on the level of knowledge and expertise of their preparer in order to satisfy their individual needs. A one size fits all approach would only lead to new problems. If the single standard is too low, it could imply that any tax preparer is qualified to deal with any tax issue, regardless of how complex. If the single standard is too high, it may hurt those taxpayers with simple returns if the price of higher qualified tax preparers is too great. The setting of these standards, as well as their enforcement, must be carried out by the IRS or another government agency. Specific organizations should play a role in the offering of education and oversight for the programs, but they must be guided by the IRS. The Service must monitor the amount and type of education required, while retaining the power of enforcement. This arrangement will help with the education and outreach needed to bring about proper change. In the tax preparation world, everyone would agree that tax knowledge is paramount. Padgett believes that ethics are of equal importance. We have all seen cases where people with a high degree with knowledge, but less than desirable ethics, have created huge problems for taxpayers and the tax system alike. A taxpayer code of ethics should apply to all tax preparers. At the same time, an annual CPE requirement must include ethics. Many companies and organizations have their own code of ethics which can provide a terrific guideline for developing a tax preparer's code of ethics. While most of the discussions center on the individual tax preparer, it is common for tax preparers to join together, whether in an organization, firm, or franchise agreement. The level of responsibility these larger groups must share should be based on the amount of oversight and control they have over the individual. The more oversight and control they have, the more responsibility they must share. We have to make sure that, if within this project, we place responsibilities on a company or organization, carrying out those responsibilities is not made impossible by other regulations. For example, if we are going to hold an organization or company responsible for the performance of an employee, member, or franchisee, we must ensure that a code sections like

7216 do not make that responsibility impossible to administer or accept. There are many ideas on the question about the "grandfathering" of people in to a new system. We think the plan we have presented has found solid middle ground on this difficult issue. We allow everyone that agrees to follow the rules, commits to CPE, and uses disclaimer language to prepare tax returns. We grandfather only Circular 230 practitioners a license, and require all others wishing to have a license to pass a test. We at Padgett hope our comments are beneficial to this process. We again affirm our support for the goals outlined by Commissioner and hope we can continue to assist in the development of a plan that will benefit tax preparers, taxpayers, the IRS and the tax system as a whole. Plan for Regulation of Paid Tax Return Preparers Submitted by PADGETT BUSINESS SERVICES® Required PTIN for all paid tax return preparers. Within 90 days of enactment of this plan, all paid return preparers would be required to have a PTIN and use this number when they sign a return. All returns prepared for consideration after the 90 day enactment period, would have to be signed and include the PTIN. Failure to use an active number on any tax return prepared for consideration would result in a \$1,000 penalty. Deactivation of PTIN by IRS. Failure to abide by ethical standards, continuing education requirements established by the Department of Treasury, and IRS rules and regulations covering the preparation of income tax returns would result in a removal of one's PTIN from the active list. All preparers with a deactivated PTIN would be subject to a \$1,000 penalty and their ability to prepare income tax returns would be suspended. The IRS shall provide an appropriate appeals process for deactivated paid tax return preparers. The IRS will also provide guidance on the length of suspensions that can be assessed for failure to comply with the various paid preparer regulations. Disclaimer requirement for unenrolled/registered only paid preparers. Practitioners currently regulated under circular 230 (Enrolled Agents, CPAs, and attorneys) and all other licensees (see below) would not be required to provide each client with a disclaimer. These license holders would also be allowed to state that they are licensed income tax preparers in any advertisement. All other paid preparers would be required to provide to the taxpayer a disclaimer stating that while they are registered with the IRS to prepare tax returns, they are not licensed and have not taken a competency exam approved by the Department of Treasury. However, an unenrolled/registered paid preparer working under the supervision of a license holder or a circular 230 practitioner would not be required to issue the disclaimer. Additionally, unenrolled/registered tax return preparers would have restrictions on how they advertise their qualifications to the public. Tax Return Preparer's License created by The Department of Treasury. Registered preparers may obtain, with all the rights and privileges thereto pertaining, a Federal Tax Return Preparer's License by being an attorney, Certified Public Accountant, Enrolled Agent in good standing or passing an exam approved by the Department and passing a basic background check. The IRS shall develop and administer such exam, testing the knowledge of tax laws and regulations; this exam would be similar to the tax return preparation sections included in the current Enrolled Agent exam. Licensees who are not also practitioners (CPAs, EAs and attorneys) will be limited in practicing before the IRS as under the current rules. The IRS shall make the exam available through the IRS Website no later than one year from enactment of this plan. Consolidated administration and enforcement through the Office of Professional Responsibility. To avoid redundancy and overlapping jurisdiction, all oversight and enforcement of the program would be consolidated within the Office of Professional Responsibility.

Self-funded Office of Professional Responsibility. OPR would be self-funded through the collection of registration fees and preparer penalties.

Preparer penalties dedicated to the promotion of the licensed paid preparers. OPR would be powered to collect all penalties and such amounts would be used to promote and educate the public on the benefits of the licensed paid preparers. This would include explanations on the differences between licensed and registered preparers.

Taxpayer penalties for falsely indicating self preparation. Tax returns would include a second signature line requiring the taxpayer to swear under penalty of perjury that he or she did not use a paid preparer and prepared his or her own tax return. This should help eliminate an unregistered preparer from preparing a tax return and indicating the return was self prepared. Untruthful statements would be subject to a \$1,000 penalty. In addition, the preparer would be subject to additional penalties if it is shown that he or she contributed to the taxpayer signing this new line incorrectly.

Advantages:

- The plan would be easily implemented because it relies heavily on the current framework for overseeing paid preparers, such as the voluntary use of PTINs and the tax return preparation sections of the Enrolled Agent exam.
- The plan would not require those who prepare tax returns to take an exam, but rather would rely on the marketplace by educating the taxpayer on the different levels of tax preparers. The taxpayer would have the resources to make an informed decision as to the level of tax preparer needed for his or her particular situation. This would result in increased professionalism among paid return preparers.
- Policymakers would be able to quickly implement the plan.

From: Jordan W. Saletko
Sent: Tuesday, August 18, 2009
Subject: Tax Preparer Review Notice 2009-60

Having been in accounting and tax preparation for over 40 years I understand the problems of both the preparers and IRS. In the information I have read after the end of each tax season the most preparer problems seem to stem from the large tax preparation firms. My suggestion is that each preparer, whether self-employed or working for a tax prep or accounting firm prepare a listing of the training he or she went through for the upcoming season (or preceding season) along with the publications they subscribe to and books or periodicals they are reading. If working for a firm, a letter from the firm should accompany the preparers information indicating what classes they attended. If self employed, a listing from the practitioner with invoices or bills to support their information. While you will not eliminate those unscrupulous preparers that fabricate information, you will eliminate those errors made from stupidity and carelessness. Also, the large tax prep firms should supply IRS with a listing of all their tax preparers with either social security numbers or PTIN's and indicate what type of training their personnel has received. This should be in lieu of a nationwide testing program. The testings program will cost millions and not produce any more good information than the abovementioned information. In addition, getting all preparers to take tests at different location will cause untold travel expenses and lost wages. A test mailed to preparers or one done on line will not give the results you're looking for since the candidates will be looking up answers as they take the tests. Showing how they kept up with changes in the law, appears to me the best approach. Don't create another bureaucracy to handle something that can be handled easier and cheaper and give, perhaps, even better results. I would also suggest a reward for preparers that turn in unscrupulous preparers along with substantiation. Taxpayers should not be held responsible for the errors of the preparers. Otherwise- nobody will turn in those making mistakes. The taxpayers, although they may receive larger refunds than they are entitled to, are not the one's that your looking for.

Jordan Saletko

From: jamal ahmed
Sent: Tuesday, August 18, 2009
Subject: Tax preparers' qualification

Dear sir,

I would like to submit some of my suggestions for your consideration:

1. Tax preparer should pass at least one certification course before getting involved with tax preparation.
2. IRS must design a course and make it mandatory for all paid tax preparers.
3. All paid tax preparer must use e-file and report to IRS end the year about filing numbers in e-file and in paper.
4. Compulssory continuing education to keep the tax license valid.
5. Set minimum qualification for paid tax preparer.

Sincerely yours
Jamal Ahmed

From: Wm (Bucky) Buchanan
Sent: Tuesday, August 18, 2009
Subject: Notice 2009-60

As an independent tax preparer, I am troubled by the possible aspects and outcomes of impending regulation of tax preparers. I am not an enrolled agent with the IRS, but I've have been a tax professional for the last 16 years with a focus on personal and small business returns. I have an accounting background and diligently keep abreast of the many tax changes year to year for the benefit of my clients. Hopefully, the IRS counsel will consider the past performance and accuracy of current independent tax professionals. There are plenty of us who take our services very seriously, only to have our image tarnished by a few. Any strict regulation would mostly benefit the national franchises, whose main interest is the financial bottomline, and limit or put some small offices out of business. While some method should be implemented to insure that tax preparers are staying educated on tax rules and regulations, please come up with a method that will not be an excessive burden--financially and timewise.

William Buchanan
Austin Income Tax

From: Heroy, Bard
Sent: Tuesday, August 18, 2009
Subject: Notice 2009-60

A significant factor relating to uncontrolled and unidentified tax preparers is the computer software used. Many packages allow the preparation of multiple returns without identification of the preparer. This allows a preparer to do returns without indicating that they were paid and without identifying themselves. I think it will be essential to require software prOViders to place constraints on multiple use of purchased software. This could include some form of relationship test, for example, so preparation of returns for children and parents could be allowed but not for others. Address checking and perhaps some form of attestation might be included to help control the process. Overall I believe that registration and monitoring of paid preparers is appropriate and necessary. Continuing education should also be required. I would also include attorneys and CPAs in the process. Many are not really trained or qualified as tax return preparers. I have been a CPA and practiced as one for over 20 years. I had no real training or experience as a preparer and gained that training only after no longer practicing as a CPA. The lack of tax preparation training is fairly typical for many employees of accounting firms. Even though they may be CPAs they practice in auditing or consulting areas and do little real tax work. Those firms have separate divisions or staff to deal-with tax issues and most of that is business - not individual returns. That background does not qualify them for exemption from the need for appropriate training and monitoring.

From: Lynn Shelley
Sent: Tuesday, August 18, 2009
Subject: Notice 2009-60

I'm an EA and also an Oregon Licensed Consultant; I think these tax preparer standards for preparation and ethics should have been put in place years ago. I believe Oregon is the only state that licenses their tax professionals and they have rigid requirements for continuing education and ethical behavior. There are a lot of so called "tax professionals" out there that don't even have a firm hold on the basics of tax preparation. I hope this goes through. Thanks for starting it.

Lynn Shelley
Enrolled Agent
Caley & Associates CPAs

From: Janet English
Sent: Tuesday, August 18, 2009
Subject: Tax Preparers

Hello,

I have not had the time to review all of the information regarding "Proposals to Advance Tax Preparer Performance Standards". However, I have been a professional preparer since 1995, first as an employee, then as a self employed preparer. I started in Oregon, where a preparer must be licensed before they can even speak with a client. In order to work alone in an office or be self employed you must work as an employee through two tax seasons, then pass another state board exam and obtain a Consultants license. Most states do not have this requirement and unfortunately there are businesses and individuals who prepare tax returns with little or no training. One of the national chains gives their preparers one week of computer training and lets them loose to prepare returns. I believe either state licensing or federal licensing should be a requirement with CPE of at least 30 hours required annually. H&R Block provides an excellent "1040" course that I have taken several times by choice as a refresher. The teacher in Oregon was so good my state board exam scores were in the 90% + range. This is just a suggestion. I agree with and look forward to the implementation of some sort of regulation for Tax Preparers.

Thank you.
Janet English

JANETENGLISH, INC

From: Morton Fine
Sent: Tuesday, August 18, 2009
Subject: Notice 2009-60

This legislation should include all licensed accountants. New York State and New Jersey
License public accountants who must take CPE courses that include tax preparation.

Morton Fine, Public Accountant, NY

From: Shirley Robinson
Sent: Tuesday, August 18, 2009
Subject: "NOTICE 2009-60"

To Whom it may concern,

I have been in the tax preparation business for 24 years. I hope to see some positive changes in this business. The government keeps opening the door for so many fraudulent preparers or individuals to abuse the system. Now with the economy in the shape it is in, people are more desperate to do anything for survival. This includes people that will set up a tax prep office for a few months for a quick buck and then disappear after the rush. One reason for this is because of the "RAPID or QUICK REFUNDS" the banks should not be allowed to step in and advance people their refunds and take out the prep fees for such a high fee. I used to offer these bank products, and they are a RIP OFF! I was earning more on offering these than I was for the accrual tax prep I did. Sure the money was nice, but it was wrong! The banks offer enough incentive to draw practitioners in just for the bank products, then the prep quality has went to the dogs. I know a CPA in town that opened 6 different offices and he told me that he just hires someone to run them, that the bank fees are enough to keep that many offices open. He pays the preparers minimum wage, and maybe a percentage of sales. This practice by many has given so many a bad name. Next, all the "TAX CREDITS"....Stop putting them all on the tax form. If it is an education credit, make it be done through the schools, if it is an energy credit, make it go through the place or person that is selling the item...like the cash for clunkers. Thank goodness that was not a part of the income tax form. I feel like I have to be an expert in education finance, energy efficient autos, energy efficient home improvements or building. The tax code has been so complicated over the past 10 years that preparers are more and more dependent on tax software, and learning the software that to keep up on this and actually KNOW each thing is impossible. Then as soon as one does know something, it is changed for a few months and then back in force again for certain dates. The earned income credit would be great if it were changed to some type of vouchers to be used for rent, groceries or needed services. This is the most abused area of the tax code that I see. We screen people heavily in this area, if we tell them they do not qualify, they just get mad and go else where to claim it. I would like to be able to send in such info to IRS so when it is claimed it would be questioned. Then the place or preparer on record that did do it can be questioned also. If IRS got serious about wanting to fix this mess, something could be done. I feel our government will not do anything about the Rapid Refunds because too many banks profit from the poor on it and IRS does not want to upset the banks....who have been getting away with rape in all areas of feeing everyone to death. We have a bank in town that charges a fee to count money that is brought in as a deposit! What a joke...if the banks were regulated, the 100% profit motive would be out of the tax prep business and we could get back to doing our job and doing it right! I am not sure why I even wrote, I truly feel that nothing will be done in this matter, I guess I was hoping that maybe one day something will get done.

Shirley Robinson
Chek's Tax Service

From: Kenneth G. Simpson
Sent: Tuesday, August 18, 2009
Subject: "Notice 2009-60"

I strongly agree that "Tax Preparers" be licensed and required to pass an exam in order to prepare tax returns. I think they should also be required to take classes every year to stay afresh of the new and ever changing tax laws. I feel that a lot of people are preparing tax returns for clients and will not sign the return and probably are not reporting the income they receive for this. I have had clients come into my office for the first time with a copy of a prior year return that was signed "Self Prepared" and when I asked if they prepared the return they usually say that someone prepared the return and would not sign it. I have heard people say they paid someone as little as \$10.00 to prepare a return for them but they would not sign it. I don't think preparers who are not properly trained understand the complicated "Earned Income Tax Credit" rules and who qualifies for the credit. I feel that this credit is one of the biggest tax frauds in the system. People know how to get around some of the rules and preparers they pay to prepare their return and don't sign the return don't know the rules any more than the client does. Even before I became an "EA" I attended classes every year and purchased books and manuals to stay on top of the ever changing tax laws so I would know what I was doing and to help my clients.

Again in summary I feel that all tax preparers who prepare tax returns for someone other than themselves should be regulated and be required to be licensed and take classes every year to stay on top of the ever changing rules.

Kenneth G. Simpson, EA

From: Duncan, Paul J.
Sent: Tuesday, August 18, 2009 9:34 AM
Subject: "Notice 2009-60"

These comments are my personal observations and are not in any way intended to represent the position of my employer. I have observed that it is common practice, based upon preparer and taxpayer statements and audit experience, for non-licensed tax-return preparers to simply take data given to them by taxpayers and place the data on tax returns without any attempt to assure the accuracy of the data. Additionally, many preparers appear to be uninformed regarding tax law, and preparers apparently are not verifying that the taxpayers are maintaining the minimum required records to substantiate claimed deductions. Such behaviors, in conjunction with the small percentage of returns audited (low risk of discovery), result in both widespread non-compliance and loss of tax revenue. I believe that all tax-return preparers should be licensed, that all preparers should be held to a code of high standards of ethical conduct, and that all preparers, and their employers, should be subject to monetary penalty for failure to exercise due diligence in the return-preparation processes. I believe that holding all preparers accountable for their actions will both increase and promote taxpayer compliance.

Thank you for the opportunity to comment.
Paul J. Duncan, Field Auditor
Montana Department of Revenue

From: PATRICERLINCOLN
Sent: Tuesday, August 18, 2009 8:15 AM
Subject: licensure of paid tax preparers

Per the suggestion of Michael Singleton I am sending you my following comments on the proposed legislation. had written these as a note to Michael after reviewing a link he forwarded to me. Michael, I read through of comments of each person listed in the Tax REturn Preparer Review. I really appreciate you sending me this link. I have three basic observations.

1. The tax laws are extremely complex, so much so, that I believe there are no easy tax returns. Between all the credits from child care, the child tax credit, EIC, the retirement savers credits, foreign tax credits, energy credits, education credits, business credit and more and more, a young person's return, their parents and their grandparents' returns all have complexities due to choices in filing status, phase outs due to AGI and on and on... The focus seems to be on fraud, which is alright, but what about also focusing on doing the return correctly. This isn't easy. I can't tell you the number of times I've been tired and just wanted to wrap up a return, but knew as I was reviewing the return I needed the answer to one more question to do it right.

2. I believe because of these complexities, whatever the minimal standard is, and there does need to be some standard, it needs to be applied to all people who prepare returns, other than their own, whether they are paid or not paid preparers. I believe anyone who prepares a tax return needs to sign the return, whether they are paid or not paid. If paid preparers need to pass a test, then nonpaid preparers should have to pass the same test. If paid preparers need 8, 16, or 24 CPE's annually, then everyone who prepares a return for another person whether they are paid or not paid they need the same amount of education.

3. I believe that the poor less fortunate taxpayers need to have their returns prepared in the very best way and the better *off* taxpayers also need to have their returns prepared in the very best way. Neither the poor nor the rich can afford to not have the best possible tax return.

From: bobbetty
Sent: Tuesday, August 18, 2009
Subject: unlicensed

Greetings,

I have been an enrolled agent for the past 20 years. I was an IRS agent for the prior 26 years. My IRS assignments included terms as large case team coordinator, district conferee, and audit group supervisor.

1. I firmly believe unlicensed preparers should be tested and monitored just as EAs, CPAs, and attorneys. I've seen many instances of incompetence and seemingly deliberate violations of tax laws.

2. One of the major "legal" abuses involves rapid refund loans. In this day as the IRS processes and pays refunds within 10 days to two weeks, a interest rate on this "loan" is in the form of "fees" and becomes an unconscionable usury rate. Technically, the IRS pays the amount of the refund electronically to an account controlled by a bank or the preparer. This is A STRAINED INTERPRETATION OF THE STATUTE that prohibits the receipt and negotiation of refund checks by a preparer or POA representative and strains the privacy rules as well. Such loans in their present form should be outlawed. As a minimum, the IRS should discontinue any notice to a preparer that each specific taxpayer does or does not have any potential hold on his or her tax account.

Thank you,
Robert N. Haynes, Jr.

From: Monica
Sent: Tuesday, August 18, 2009
Subject: Tax Preparer Qualifications

I think that preparers should have to be enrolled to practice before IRS before they can prepare returns. Cracking down on non enrolled preparers will in my opinion reduce the tax gap.

Monica L. Feinstein EA

From: dquincy
Sent: Tuesday, August 18, 2009
Subject: Investigations

I hope I don't get in trouble for asking this but does these proceedings have anything to do with IRS Investigators showing up at clients door steps, and literally asking the client "do you think the preparer prepared your return properly." or "Did you notice that the preparer is not rounding off your return properly? My question is, who/where does the 'preparer' turn to when you absolutely can not get your question answered properly? The IRS has got to know that we do not have time for them (the IRS rep.) to send us a publication, as such. Most preparers are honest (the ones I know anyway). However, if they don't have any support from anyone, I can imagine how startling that is. To have a client sitting in front of you but nobody can answer the question. To me this is a haven for crooks to still a cookie from the IRS. The people I work with have many years experience, starting off preparing on paper so Electronic filing seemed easy until everything goes array because your the computers will not dish out any data let along a check. I even stayed on the three way with a client in order to find out why their stimulous check did not come in their check. Well, the rude rep. on the other end of the phone, literally, told me (after I explained the problem) to get off the phone. At first I thought she was playing. The client called me a short time later and said, "I been talking to her all this time and she told me yawl preparers going down." We need some compassion, It's hurtful!

From: Jo Ann St. Germaine
Sent: Tuesday, August 18, 2009
Subject: Tax Preparer Review

I don't think it will stop the crooks from doing taxes, most of them don't sign the returns anyway. I've done taxes for years, mostly for friends and family and I charge a reasonable fee. I even worked in public accounting for a short time, one tax season was enough for me. Anyway, the people I've tried to help had their taxes done by someone using TaxCut or TurboTax, they e-file the return and it appears to have been self-prepared. When TaxCut first hit the market, you were able to put in preparer information, after a couple of years you were not. It simply says self-prepared and it cannot be changed. So, how will you really know when a return has been prepared by a tax professional, an individual, or someone posing as a tax professional using TaxCut or TurboTax? My opinion is the only thing that will change is that "real" professional tax preparers will charge a higher price to prepare the returns, and the crooks will still be out there posing as professionals filing unsigned returns. There is no way to track them.

Jo Ann St. Germaine

From: Joseph Rosio
Sent: Wednesday, August 19, 2009

It's about time! Too many \$8-\$10hr tax preparers who do not have the education and experience to prepare tax returns. Ethics are a major concern. They have no standards or professional licenses on the line.

Joseph A. Rosio CPA

From: on behalf of DeWayne Searcy
Sent: Wednesday, August 19, 2009
Subject: Notice 200960

Regulating tax preparers is a must. The unscrupulous tax season shops that appear and disappear each year takes advantage of the lower income taxpayers, yet it is those taxpayers who can least afford to be taken advantage of. Time has come to provide protection to taxpayers.

DeWayne Searcy, PhD CMA CIA CPA
Assistant Professor
School of Accountancy
Auburn University

From: VICKI RANKIN
Sent: Wednesday, August 19, 2009
Subject: Notice 2009-60

To whom it may concern, in the matter of the Notice 2009-60:

I am in favor of providing for stricter standards to put on paid tax preparers who are not CPA's, accountants, attorneys, or Enrolled Agents. There needs to be uniformity in the requirements because the complexity of the current tax laws requires a continual monitoring and education process in order to be able to advise clients and prepare tax returns correctly. However, you should not increase the oversight that is currently in place for the tax professional CPA's, accountants, attorneys, enrolled agents etc. as it will add undue burden to comply.

Vicki S Rankin, CPA
Kamphaus, Henning & Hood
Certified Public Accountants, Inc

From: Steve Bancroft
Sent: Wednesday, August 19, 2009
Subject: Notice 2009-60

Sirs: My comment is that only enrolled agents, certified public accountants, certified financial planners and attorneys should be allowed to prepare any income tax returns for money or other consideration beginning in tax years after January 1, 2015. This will resolve many of the problems caused by "rogue" preparers and cause more individuals to become licensed and receive continuing education. All these classifications already exist so there would be no new systems to set up- just many more enrolled agents. Payroll, excise tax returns, etc. could still be prepared by others.

Steve Bancroft, CPA

From: Ted Leibowitz
Sent: Wednesday, August 19, 2009
Subject: Notice 2009-60

License all preparers. Test all including CPA's (since they may know auditing and Corporate taxes, but have no knowledge of 1040's) and compel CPE credits (and not frivolous ones) Audit more by correspondence, especially Charity and Business Expenses). In return, eliminate the AMT below perhaps \$250,000 or better, and increase for inflation. And reduce rates these same people. Increase penalties, but don't destroy taxpayers. Truly simplify the Tax Code, and stop Congress from favoring their bribers, opp, campaign contributors and employers of their families. Unfortunately you people take the hit for Congressional payoffs.

Ted Leibowitz

From: Mike Kolar
Sent: Wednesday, August 19, 2009
Subject: "Notice 2009-60"

I firmly believe NATP should responses should be expanded. Their members do not do high volumes of returns work on a part time basis out of their homes. If all these people were so smart on continuing education all their customers would be millionaires. None of these people do more than 50,000 returns nor could they. Efficient producers should only be allowed to e-file. Mom and Pops should be eliminated from the system.

Mike Kolar CPA

From: BATCH
Sent: Wednesday, August 19, 2009 12:33 PM
Subject: Comments re Notice 2009-60

*MICHAEL HARVEYBAUM
ENROLLED AGENT
BATCH
BAUMACCOUNTING TAX & COMPUTER HELP*

Following are my comments regarding the suggestions in the notice. Obviously we all know there are many types of tax preparers. Most of the concern seems to be addressed towards those who are not currently subject to Circular 230. There is no doubt a major problem exists with this community. However, as someone who has been an EA for only 2 years, and a preparer for over 20 years, I believe we must be careful in how this problem is addressed. Why? Because there are many preparers who may provide a part-time service and/or do not have the resources to obtain authorization. A large number of these preparers provide a valuable service at a much lesser cost than others. They are often providing a much needed service to many lower income tax payers. At a minimum, transparency would seem to require that legislation or regulation should be adopted to require every practitioner to provide taxpayers with a clear statement of their credentials and/or experience including continuing education received. I would suggest that IRS continue an educational process advising taxpayers to review the credentials of any preparer. One way to do this would be to require these preparers to register in a data base that clearly indicated any experience, training and continuing education. All preparers should be required to obtain a PTIN and returns monitored in some manner for compliance. All preparers should acknowledge and accept a standardized Code of Ethics on their PTIN application. Finally, there should be different PTIN levels related to the types of tax returns prepared. A pro-active publication through both normal media and the IRS.gov site would go a long way towards solving this problem. Circular 230 practitioners should also be listed in a separate database. A key component of this database should be to clearly indicate the practitioners credentials including continuing education specific to taxation. I am far more concerned with the Circular 230 practitioners that are not continuously regulated. EA's must re-apply every 3 years and certify they have met the continuing education requirements. However, there is no similar requirement for Attorneys' and CPA's. In my opinion their respective professional organizations do not provide the same level of regulation as that required for EA's. Clearly there is more and more anecdotal evidence that many of these practitioners do not really have any practical experience and/or knowledge of tax law and yet they are allowed an **automatic right** to practice. I also believe that some type of professional affiliation should be mandatory for any Circular 230 practitioner. In this way, the organizations should then be responsible for maintaining the CE records for each member and providing them with a certification they have met their respective obligation.

From: Carolyn Backer
Sent: Wednesday, August 19, 2009
Subject: Notice 2009-60
Attachments: Tax Preparer Review.doc

COMMENT ON TAX PREPARER REVIEW

Notice 2009-60

Your proposal to improve compliance among tax preparers is admirable. During the 13 years that I have had a tax preparation service, I have observed many returns prepared by others which did not accurately care for the client's needs--one was outright fraudulent. Please allow me to explain my position. I started preparing income tax returns for H & R Block in the 1980s. In the 1990s, I took accounting courses at the local community college. I received a certificate in accounting in the year 2000 with a 3.9 GPA. I had previously never received a degree, and therefore could not take the CPA exam. My husband had lost his job, so we needed my income. I began my business of bookkeeping and income tax preparation in 1996. My business is very small. Last year, 2008, I prepared 100 tax returns. I work alone, so 100 is just right. My clients receive a quality tax return at a reasonable price, and there is no charge for e-filing. Should a client come in with a situation which is not in the area of my expertise, I refer them to one of the local CPA firms. Since my business is very small, the cost of joining tax preparation organizations is prohibitive to me. Yet, it would be unfair to eliminate "the little guy" in favor of CPA firms, etc. The IRS observes the performance of all tax preparers when our returns are sent in. Is this not sufficient examination?

Sincerely,
Carolyn Backer
Chaparral Bookkeeping & Tax Service

DATE: August19, 2009

From: WILLIAM PRINE

TO: CCPALPD:PR NOTICE 2009-60
INTERNAL REVENUE SERVICE

SUBJECT: TAX PREPARER PERFORMANCE STANDARDS PUBLIC FORUM
I'M CURRENTLY IN THE PROCESS TO COMPLETE THE EA ENROLMENT TESTING PROGRAM AND HOPE TO FINISH WITHIN THE NEXT TWO YEARS. I CURRENTLY ONLY DO INDIVIDUAL INCOME TAXES AND WILL NEVER DO CORPORATION INCOME TAXES OTHER THAN SCH "C" FOR INDIVIDUALS!! I WOULD LIKE IRS TO GRANT CERTAIN LIMITATIONS ON DOING INDIVIDUAL INCOME TAXES ONLY. THIS WOULD NOT ONLY TAKE THE BURDEN OFF IRS TO ENSURE EVERYONE NEEDS TO BE FULLY QUALIFIED ACROSS THE BOARD WHEN INFACIT ALL PREPARES DON'T NEED TO KNOW AND DON'T WANT TO BE QUALIFIED TO DO CORPORATION INCOME TAXES AT ALL. WHAT NEEDS TO HAPPEN IS IRS TO CHANGE THE EMPHESIS ON TOTAL TAX KNOWLEDGE TO LIMITED ON WHAT TYPES OF RETURNS A TAX PREPARER PREPARES FOR INDIVIDUAL CLIENTS. I HOWEVER AGREE THAT IF THAT IS DONE THERE SHOULD BE A STANDARD OF COMPREHENSION WITH CONTINUED EDUCATION, AS DO CPA'S, SO MANY HOURS A YEAR OF TRAINING. MOST INDIVIDUAL INCOME TAX RETURNS ARE SIMPLE WITH A FEW EXCEPTIONS. THE OTHER EMPHASIS SHOULD BE HOW LONG AN INDIVIDUAL HAS BEEN DOING TAX RETURNS AND MAYBY GRANT THEM IN THE SYSTEM IF THERE ARE NO PREVIOUS PROBLEMS WITH THE TAX PREPARER AND IRS WITH EMPHASIS ON ANNUAL TRAINING. WITH RESPECT TO ALL OTHER INDIVIDUAL TAX PRACTITIONERS WE WOULD LIKE YOU TO CONSIDER PUTTING THE LIMITATIONS ON TYPES OF RETURNS WE GENERATE FOR CLIENTS. IF YOU MAKE IT MANDATORY FOR TOTAL KNOWLEDGE OF THE TAX CODE THEN YOU NEED TO LOOK AT AN INDIVIDUAL NOT BEING ABLE TO DO HIS OR HER OWN PERSONAL TAX RETURN.

THANKS FOR THIS OPPORTUNITY TO ADDRESS THIS ISSUE AND HOPE YOU CONSIDER THE OPTIONS ABOVE.

THANK YOU
William Prine

8-19-09

CCPA:LPD:PR (Notice 2009-60) Room 5203

To Whom It May Concern:

My name is Ron Holt, and I have been a tax preparer since 1982. I belong to an accounting and tax preparer association at both the national (NSA) and state level (PAAK). I fully support the registration of tax preparers along with the promotion of e-filing of tax returns. I think the registration and e-filing of tax returns are the two most important issues to accomplish. I work at two different companies at tax season and yet I use the same "PTIN" and "PIN" to complete tax returns. I support all continuing education programs at both the federal and state levels. I firmly believe that all tax preparers need to be qualified. I fully support testing as done by the state of Oregon, but I do not support testing at the federal level. I do not believe that a person doing tax returns in New York City should be taking the same exam as a person who lives in Kansas or Oregon. I think it is important to have reference material, which is may single most outlay of cash each year. Maybe, any and all examinations of tax preparers should be done as an open book test. I think both Congress and the IRS need to make a few changes. Congress should not be allowed to pass or update a tax bill for the current tax year after November 1st. Congress needs to respect the rights of both tax payers and tax preparers and not allow for confusion in preparation of current year tax returns. The IRS needs to quit spending tax payer's money on fighting cases that have been decided by the Federal Judicial Circuit. Congress and the IRS need to work harder to get this thing right. As I write this letter, the stimulus package "cash for clunkers" is in its second phase. This program turned out to be successful, just as it was in Germany. The only sad thing is this program was available for both those who report their income and file an honest tax return, as well as, for those who do not report their income, and probably do not file a tax return, or at least not an accurate tax return. I wish / had a solution for those who choose not to report all of their income, but I don't. I mention this "cash for clunkers" program only to indicate how when a project is done at the federal level, it just doesn't work properly even though it may be designated as a successful project. In conclusion, I think all tax preparers need to be registered and required to e-file tax returns at the federal level, as well as, the state level. The promotion of continuing education and ethics needs to continue at both the federal and state level. Any testing of tax preparers needs to be accomplished through the state level. Finally, the things I have mentioned in this letter comes with a very small price tag, does not create unemployment, allows for regulation with very little government intervention and it promotes the programs now in place by the IRS. Best of luck in your decision making process.

DATE: August19, 2009

CCPALPD:PR NOTICE 2009-60

SUBJECT: TAX PREPARER PERFORMANCE STANDARDS PUBLIC FORUM

I'M CURRENTLY IN THE PROCESS TO COMPLETE THE EA ENROLMENT TESTING PROGRAM AND HOPE TO FINISH WITHIN THE NEXT TWO YEARS. I CURRENTLY ONLY DO INDIVIDUAL INCOME TAXES AND WILL NEVER DO CORPORATION INCOME TAXES OTHER THAN SCH "C" FOR INDIVIDUALS! I WOULD LIKE IRS TO GRANT CERTAIN LIMITATIONS ON DOING INDIVIDUAL INCOME TAXES ONLY. THIS WOULD NOT ONLY TAKE THE BURDEN OFF IRS TO ENSURE EVERYONE NEEDS TO BE FULLY QUALIFIED ACROSS THE BOARD WHEN INFACIT ALL PREPARES DON'T NEED TO KNOW AND DON'T WANT TO BE QUALIFIED TO DO CORPORATION INCOME TAXES AT ALL. WHAT NEEDS TO HAPPEN IS IRS TO CHANGE THE EMPHESIS ON TOTAL TAX KNOWLEDGE TO LIMITED ON WHAT TYPES OF RETURNS A TAX PREPARER PREPARES FOR INDIVIDUAL CLIENTS. I HOWEVER AGREE THAT IF THAT IS DONE THERE SHOULD BE A STANDARD OF COMPREHENSION WITH CONTINUED EDUCATION, AS DO CPA'S, SO MANY HOURS A YEAR OF TRAINING. MOST INDIVIDUAL INCOME TAX RETURNS ARE SIMPLE WITH A FEW EXCEPTIONS. THE OTHER EMPHASIS SHOULD BE HOW LONG AN INDIVIDUAL HAS BEEN DOING TAX RETURNS AND MAYBY GRANT THEM IN THE SYSTEM IF THERE ARE NO PREVIOUS PROBLEMS WITH THE TAX PREPARER AND IRS WITH EMPHASIS ON ANNUAL TRAINING. WITH RESPECT TO ALL OTHER INDIVIDUAL TAX PRACTITIONERS WE WOLUD LIKE YOU TO CONSIDER PUTTING THE LIMITATIONS ON TYPES OF RETURS WE GENERATE FOR CLIENTS. IF YOU MAKE IT MANDATORY FOR TOTAL KNOWLEDGE OF THE TAX CODE THEN YOU NEED TO LOOK AT AN INDIVIDUAL NOT BEING ABLE TO DO HIS OR HER OWN PERSONAL TAX RETURN. THANKS FOR THIS OPORTUNITY TO ADDRESS THIS ISSUE AND HOPE YOU CONSIDER THE OPTIONS ABOVE.

THANK YOU
ROBERT BRDAR

Jan McCrae
Aug 20,2009

CCPA:LPD (Notice 2009-60) Room 5203

I am a tax preparer in business for myself and have been for 26 years. I am 67 years old and still in very good health, own my business and also have a very good record. I am single and my only support is my business and social security (which I cannot live on). At my age I would hate to see my income taken away. I opened my doors in 1984 and still have my very 1st client. I keep up on the laws, go to tax seminars each year, and get IRS e-mails daily. Why at my age should I have to go and take a test just to stay in business? Just one more way to take our jobs away! There should be some way for those of us in business for years and that have a good record to stay in business without hassle. My motto is and has always been for each client that they must abide by rules and laws if they want me to do there bookkeeping and tax returns. This keeps us both out of trouble. I am putting this in plain English and hope someone will pay attention.

Thank You

Sent: Thursday, August 20, 2009
Subject: Review of Paid Preparers

To Whom It May Concern,

I am confused. There already is an established testing system in place that determines if a preparer meets the minimum qualifications to carry a license to prepare income tax returns; that test is the Enrolled Agents Exam. There already is an oversight committee that monitors the qualifications and practices of tax preparer profession; that is the Office of Professional Responsibility. There already is an established rule set that governs the ethical practices of preparing tax returns and representing clients; Circular 230. Why waste the government's time and taxpayer dollars on another panel to discuss how to implement rules and regulations that monitors the tax preparer profession?

Just tell these people who want to call themselves a tax professional that they are required to pass the Enrolled Agent Exam and we all will be good to go. The Enrolled Agent test is not a mystery to pass. It is not difficult, the Enrolled Agent Exam comprises of the basic tax knowledge that any person who wants to become a tax professional should know. The arguments against requiring all preparers to pass this test to become a licensed tax professional is ludicrous. Requesting that another system be established while there is already one in place is uneconomical. I am positive that the taxpayers money can be spent elsewhere that will HELP our economy. There could be changes to the EA Exam such as:

- 1) Making it an open book exam that is timed. The skill of knowing where to find the information is much more beneficial than the ability to memorize facts.
- 2) Allowing a calculator. The EA Exam was not designed to test math skills but to test working tax knowledge.
- 3) Separate the four parts into different levels of licensure each allowing specific areas of work. Stop wasting my tax dollars by listening to people who fuss over being required to prove that they are skilled in their profession.

Sincerely,
Darcy JTucker EA
PERSONAL TOUCH TAX SERVICE

From: Grant Spooner
Sent: Thursday, August 20, 2009
Subject: preparer standards

what ever standards they come up with, they should be tried out on all of the existing IRS,
Internal Revenue Agents and Office Auditors.
From the Retired side

From: Sheldon Martin
Sent: Thursday, August 20, 2009
Subject: Response to Notice 2009-60

In response to Notice 2009-60 I have two things I would like to mention.

1. The moral and ethical fiber of the country is so low that it is ridiculous to expect any higher conformance to the rules than what you already have. Simply put, if people do not have any scruples about breaking existing laws and regulations, they will not have any scruples about breaking any new laws or regulations that are made. All that you will succeed in doing by increasing the regulations is make it harder for those of us who are honest and who are trying our best to comply with laws and regulations that are already complex and burdensome.

2. It would seem to me that if the tax forms were made so simple that the average person could understand them, that would be a strong deterrent against preparer fraud also. Of course, this would necessitate a simplification of the underlying laws as well. The average person looks at a tax return with all its attached forms, etc. and he doesn't have a clue whether it has been filled out properly or not. If the taxpayer, however, would be better able to understand the tax forms, he would be able to hold his preparer accountable if there was something on the form that did not seem correct. This would motivate preparers to be more careful to do good work since they would know that their clients could check up on them.

One final thought: It will not work to hold preparers to a higher standard of accuracy or compliance than what is required of the taxpayer.

Sheldon E. Martin, EA

From: JERRY APPEL CPA
Sent: Thursday, August 20, 2009
Subject: preparer rules

Since all tax returns are due on april 15 it creates two problems which cause the preparer problem. First Since the demand exceeds the supply of tax preparers too many unqualified tax preparers are needed to fulfil the demand. If the qualified preparers had all year to do returns the unqualified would be forced out. I have to turn away clients every y~ar and they go to unqualified preparers. Second. Young qualified college graduates do not want to go into public accounting. Again since all the returns are due by April 15 the work load is too heavy and therefore the required hours accountants have to work is excessive. I have been a CPA for over 40 years and find that young qualified people would rather find a profession that is not as strenuous. If s corps, partnership, and professional corps were allowed to have any month as year end as was done prior to 1987, the work load would be spread out more and relieve the scheduling problem. I realize changing the year ends would change cash flow to the government but this would be a one year problem, the offset is more accurate returns every year. It would seem in one year more taxes would be collected.

Jerry Appel CPA

From: Chuck Pizagno
Sent: Thursday, August 20, 2009
Subject: Notice 2009-60

I have an MBA in Accounting & Finance. I am a member of the National Association of Tax Professionals. I have prepared tax returns for over 25 years.

1. Please consider that many tax preparers focus exclusively on the needs of individual taxpayer clients and DO NOT handle partnerships and corporations. Do not develop standards that require knowledge in all tax areas. As a single person with a small business (about 400 clients) I think it would be impossible to stay current on partnership and corporation tax law. So I avoid handling those type clients. Doing this allows me to honorably serve my clients very well. I attend at least 1 or 2 seminars per years plus use webinars and other information sources to keep current.

Consider licensing / certification that allows preparers to stay in just the individual tax return business. We charge lower fees than CPA's or Attorney's making our services more affordable to families. They need us.

2. Acknowledge and give credit to those already in the tax preparation business. The IRS has records of the many years of tax returns filed in my name - esp. the data on e-filed returns I have sent in. They know already the good work that I do. That experience should be recognized in any new regulations. I am nearing retirement. Building this part time tax business was always part of my retirement funding. With the recent stock market losses, this revenue is even more critical to me and my family. Please don't take that away.

Chuck Pizagno

From: MKeizur
Sent: Thursday, August 20, 2009
Subject: "Notice 2009-60"

My suggestion for registering unlicensed preparers. 1. Belong to an organization such as NATP or NSTP or WA State Tax Consultants that offer education as part of there being. 2. Require 30 hours cpe credit every year. 3. Use Software with question to be filled in to prepare tax return.(Such as 2nd Story Software). 4 Attend meetings that offer education. 5. IRS record of no serious trouble. 6. Offer E-File as first choice in filing return. 7. Allow years of preparer as credit to belonging.

From: Michelle
Sent: Thursday, August 20, 2009
Subject: Tax preparers

I would like to voice my opinion on the proposed tax preparer performance standards. It has always blown my mind that anyone could be a paid tax preparer, whether they went thru Circular 230 requirements or bought turbo tax and prepared returns out of their basement. The returns I see prepared by noncircular 230 preparers are almost always incorrect. Today's tax laws are so complex, there is no way someone without proper training and education could possibly have a grasp on things. Please take this letter as my support for the standards.

Thank you for your time.
Michelle Pullin CPA
Staff of Julia Ecker Inc. CPA

From: Ruth Thompson
Sent: Thursday, August 20, 2009
Subject: Notice 2009-60

Oregon has a good licensing system in place. Look to Oregon

From: Jeffrey B Kraut
Sent: Thursday, August 20, 2009
Subject: Notice 2009-60

Regarding the above referenced notice with respect to return preparers:
Those that have already had extensive schooling and training should not be subject to further regulation. Currently enrolled agents, attorneys, Certified Public Accountants already are subject to various rules and regulations, often more stringent than that which the IRS would require. Further, those already preparing returns should be subject to no additional educational or licensing requirements, although registration would be acceptable, as long as it is at a nominal fee. This should not be used as a revenue raiser. While continuing education would be acceptable, the current general standard of 40 annual hours would not be reasonable, unless already required by a preparers own profession. Those preparing returns for commercial firms should be permitted to take courses given by their firms, and if they follow the rules issued by their firms should be considered to have followed any established rules. Reasonable reliance on the firm should be permitted, and no sanctions or penalties should be issued against other than the firm. Additionally, the rules should be relaxed somewhat for those that volunteer to prepare returns for the poor, elderly, etc. who otherwise would be unable to satisfy return filing requirements. However, in all cases, good faith should be a requirement, with intent to defraud or evade taxes not being acceptable.

Jeffrey BKraut-Certified Public Accountant

From: Margret Grubbs
Sent: Thursday, August 20, 2009
Subject: Taxpreparer test

Test are a valuable tool. Some people can pass a test without studying. Doing taxes on the computer is so easy. If a person does income tax return he should be able to fill out a 1040 by hand. Wonder how many people can do it?

From: Thomas Symonds
Sent: Thursday, August 20, 2009
Subject: Notice 2009-60

The problem that I see as a CPA is that preparers who are not academically qualified are not familiar enough with tax law to properly prepare tax returns. Let us start with H & R Block. I find errors in tax returns they prepare if there is the any difficulty beyond Form 1040 and schedule A. Any firm needs an internal system of quality control to monitor tax return accuracy and compliance.

Meatball 2

What oversight? Unless you are an electronic filer and get visited by agents to check your filing program, I am not aware of any oversight except for the market which provides pretty good oversight. Certified Public Accountants, lawyers and enrolled agents must pass an exam which is a form of oversight.

Meatball 3

I firmly believe that all paid preparers should have a college degree from an accredited college or university. Our country has a reading problem. To understand the tax law you must be able to read and comprehend and not every paid preparer has those skills. Limiting paid preparers to CPAs, lawyer and enrolled agents would narrow the problem for taxpayers looking to hire someone to accomplish their tax returns. At least they can read and pass a test. Those college graduate entering the accounting field should have mentors or employers overseeing their workm Most firms have a system of quality control to insure a quality product.

Meatball 4

The taxpayer advocate system works well. Perhaps it can be expanded to help preparers who have questions that need clarifying. It would take a lot of manpower to do the job adequately.

Meatball 5

Lawyers and CPAs are already subject to professional ethics requirements. I believe current law cover ethics adequately, but I think the new disclosure guidelines are excessive.

Meatball 6

I believe they already are responsible to the public. Our tort system adequately cover this subject and those who choose to collude with taxpayers to cheat the government are subject to criminal law.

Meatball 7

Professional organizations are advisors by nature. Do not try and enter them into any oversight role.

Meatball 8

The categories listed should be exempt from any additional or special regulations. I believe current licensing requirements and regulations adequately cover them. The problem is the non-professional. Requiring a college degree is a great screening and starting point.

Meatball 9

Require college degrees. A certified registrar's transcript should be forwarded to the IRS from the registrar's office for every preparer requesting a preparer ID number and all preparers should be required to have a number. Lawyers CPAs and enrolled agents could be exempt from providing transcripts.

Thomas E Symonds CPA

From: Pam Geiger
Sent: Thursday, August 20, 2009
Subject: IR 2009-68 Comment

I have been an E.A. since April 2004 and greatly appreciate and support the IRS's desire to boost tax preparer performance standards. Since becoming an E.A. I have assisted many taxpayers resolve incorrectly filed tax returns who had previously used the services of box stores and unenrolled preparers. Because of this experience, it's my personal belief that all preparers who are neither an E.A., CPA, or attorney be required to successfully pass testing before being allowed to prepare returns.

Best regards,
Pam Geiger, E.A.
Lead Tax Specialist
Farm Credit Services of Mandan

From: Sheila Olivieri
Sent: Friday, August 21, 2009
Subject: "Notice 2009-60"

As a returning Tax Preparer, I am happy to see that the IRS is taking steps to improve the credentials of Tax Preparers. I think they should be licensed or something comparable and have to have CEU credits every year. This would help with the people that are taking one tax course to do taxes and then never take another course and do complicated taxes on a public tax software program and think they are doing justice to their clients. FRAUD!! If it was mandatory that tax preparers had to be accountable for the returns they do, they would lose their right to do taxes. If filing fraudulent tax returns, especially the Earned Income returns. People doing taxes for others on their own should also be signing the tax return so that they are liable for the returns and not leave taxpayers to fend for themselves when a ".friend" does their return.

*Thanks for letting me voice my two cents,
Sheila Olivieri*

Sent: Friday, August 21, 2009 9:40 PM
Subject: "Notice 2009-60"

My husband and I have recently been served a foreclosure notice. We have bills stacking up against us. We did receive an offer on our July 6, 2009 but with a tax lien against us we have not been released to close yet. We call our agent and she doesn't return our calls. We have completed all paperwork she gave us in July. We received a fax today asking for the same receipts we have already provided. We were even asked for the Deed to this property. We have provided a tentative copy of the HUD statement, realtor contract showing the offer to purchase, letters from our bank stating we are delinquent everything she needed to review our file. I can't believe we were asked again to provide this same material already *given*. I don't think time has been properly spent on our situation as we hope and pray the potential buyers aren't scared off. They were preapproved by their bank and our attorneys payoff request expired August 14. She is not only tying us up, but the other family who is ready to purchase and now costing the Government more money by missing the August 14 payoff date. As we plead with our bank we have seen another month go by putting us further delinquent. We have a potential foreclosure hearing approaching us and she still will not do more than ask for the same information. Please address this and if possible help us.

Jennifer V. Leonard

From: Steve Bartha
Sent: Friday, August 21, 2009
Subject: notice 2009-60

Greetings, I am an EA with membership in NSA, NAEA and NATP. I hold EA, ATA and ATP Certifications. There should be a threshold above which paid preparers must operate. We need credentials. Since I hold three of them and know how hard it is to pass these tests, that should be enough. Most prof org require annual CPE and that should be enough to meet the IRS requirements to be allowed to prepare tax returns. I do not believe a H&R Block exec is the best person to administer our profession. AND I firmly do not believe OPR should get their funding from fines against the profession. I live in constant fear of fines. I do not know if I can stay in this profession because the IRS holds such a threat over us and we have no idea what is required of us to stay in business. This is just wrong. If I passed the SEE and hold EA credentials, plus get about 60 to 70 hours CPE per year, I would think I am okay with any plans to control what we do. The ACAT ATA and ATP should also be enough to prove ability to properly file tax returns. They also require annual CPE. Thank you.
Stephen.calm:)

From: Joanne Mezger
Sent: Friday, August 21, 2009
Subject: Notice 2009-60

As you consider testing of preparers, I hope you will consider that there are many many softwares that are used by tax preparers, and they all have different input requirements and results. In the program that I use, CCH Prosystem FX, I know that many forms will automatically calculate if I enter all the W-2 information on the appropriate screen, and it will auto calculate the taxable social security if I have all income reported and all Tax- exempt interest reported. It will limit the total Schedule A deductions automatically according to income reported. The child tax credit will automatically be calculated for the limits there. The point I am trying to make is that I do not actually prepare and calculate each and every form - because I know that if I enter the income appropriately, the computer program will calculate many many forms for me. I would have a difficult time using another software because I would not know or trust which forms and limits would be automatically considered with the different program. So, if you decide to test us, and we cannot use the software we trust, we will not test as well.

Joanne Mezger

From: Antonio Garcia
Sent: Friday, August 21, 2009
Subject: Notice 2009-60

I just want to point out the following for consideration. We should not define a person with the worst moment of their life. There should be a second chance if that person has paid his or her dues, and have proved himself or herself for a period of time after any mistake they have made. Just because a person has committed a mistake doesn't mean that she or he is not ethical. Please review deeply when checking into their background if it is just one time and if that person has proved himself or herself for more than 10 years in financial matters without any problem. Thank for your attention on this matter. We can't just hold somebody for life for a mistake that she or he has made, especially after paying their dues and proving himself or herself.
God bless you.

MURRAY MEISELES

On Point Presentation for the Licensing of the Un enrolled Practitioner. The undersigned is an unenrolled tax practitioner, haven practiced for some 10 years, preparing tax returns per year of all types, with the majority Form 1040 with Schedule C attachment, with further emphasis of transportation related entities. part of this preparation, consultation and review of the taxpayers' positions, over these many years, it became imperative to present and offer to Internal Revenue Service, discussions and formal presentation for delinquencies, bringing the taxpayers' current in their filings and arranging for the filing, agreement and installment payments of this particular segment of taxpayers' . Some years ago, one may remember, we took on a whole host of transportation related individuals who upon receipt of Internal Revenue Service notices, for prior periods of filings that

were not filed, and unpaid. This was due to a technical matter, whereby the Internal Revenue Service undertook this account arbitrarily, utilizing the Form 1099MISC as the primary document, to make demands of the taxpayer, for set up monies of the delinquent returns. As the cases were reviewed, the Form SS-8 ,Determination of Employee-Employer Status, determined that the taxpayers' ,some 25 persons, were in fact employees and not independent taxpayers the employer had determined. There were several millions of dollars in the Internal Revenue Service' accounts receivable, including penalty and interest. This matter was taken on by an unenrolled practitioner, with the cooperation and understanding of Internal Revenue Service employees. The matter would have continued to this day, with resultant demands, levies and collection of IRS, if the unenrolled practitioner was not included in the process. This is a primary situation where the practitioner, with required experience could and did help the Internal Revenue Service resolve a difficult matter at the least cost to the taxpayers' and the Internal Revenue Service and bring some 25 taxpayers' back into the system. And this brings us to the matter of Collections, that under Circular 230, the unenrolled may not participate. What is there within Collections that the unenrolled practitioner, who is in direct talk

with the taxpayer, an individual who can not understand the technical language of the mailings from Internal Revenue Service, and uses the help of a professional in his/her dealings with the Service, not be able to accept or utilize the services of the accountant?

In the matter of transportation clients, one of the most important filings is that of Form 2290, Federal Highway Use Tax, due July 1- June 30. It is usually some \$ 550.00 per tractor for the fiscal year. Without the filing and payment of the tax, the transportation company cannot register or renew the registration of said equipment. The receipted copy of the Form 2290 must be presented to the State Motor Vehicle Agency upon registration. The Form is filed in Cincinnati. This form contains the serial number of the vehicle(s) for the period of the months. This too is an area that the unenrolled practitioner can not participate. What is it with Form 2290 that an individual experienced in transportation can not be helpful to Internal Revenue Service in resolving the difficulty that the Service is having with this area.? In the aforementioned paragraphs, we speak of the matter of Collections, again an arena that the unenrolled practitioner can not participate, an area that Internal Revenue Service needs all the help and participation of the practitioner to accomplish the Collection of these monies due the IRS. After all, the Internal Revenue Service is suggesting that it does not have the resources to collect these long outstanding monies and has further suggested that an outside agency, a collection agency be hired to collect these monies, at probably a minimum of 15 % of the collected funds. With this, is there not a problem with the privacy of the taxpayers' ? During the 10 years of my practicing, the Form 2848 was utilized in all my engagements with Internal Revenue Service, a proper form for Internal Revenue Service to assure themselves that my client was aware of my participation in their behalf. This was the taxpayers' understanding that since they could not handle their matters, they looked to the professional to act on their behalf. In my particular case, some several hundred Form 2848 were on file at Internal Revenue Service, and not one Black Mark or misunderstanding with the Service. There was a " Partners" consideration with Internal Revenue Service and the Practitioner community. In a letter from Como Namorato, Director of The Office of Professional Responsibility, he was of the opinion that the Internal Revenue Service" does not have the ability to assess the capabilities of the unenrolled practitioner community which is estimated to consist of more than 500,000 individuals." What a terrible position for Internal

Revenue Service to take, when the professional organizations can suggest or promote their ability to have Internal Revenue Service accept their assessment of their membership and affirm the continued education and participation of the mainstay of the unenrolled professionals whom they deal with on a continued basis, surely not any where near the 500,000 that has been suggested and further affirmation would be the Form 2848 filings and! or the CAF record. Then the Internal Revenue Service has denied the unenrolled participation in the OIC, Offer in Compromise, program. These OIC filings are an extension of Collection activity, where the taxpayers' mayor may not have agreed to an installment agreement with Internal Revenue Service, where the taxpayers' debt is divided into some number of payments whereby the penalty and interest calculations continue to be added to the debt, and the taxpayers' find that for all their desire to reduce and terminate the debt, my experience has shown that the principal continue to subject the taxpayers' to continued collection activity. The OIC program allows the taxpayers' to reach a terminating agreement with the Internal Revenue Service, with an agreed amount of money, ending the continued penalty and interest calculations. The taxpayers' agree to a period of maintaining a positive relationship of years with the Internal Revenue Service to the benefit of all, the taxpayer and the Internal Revenue Service. Why is it that competent professionals such as attorneys, CPAs, EA's as well as the unenrolled can understand and work within the Internal Revenue Service manuals, rules and regulations, not be able to act for the taxpayers', as long as the Internal Revenue Service accepts the input of all involved. In my case, over the many years of Corporate responsibilities and accounting, many an agreement had been formulated and decided. If there is any sense of irresponsibility on the part of the attorney, CPA, EA or the unenrolled, they could at the time so decide. Why is it that Common Law would readily accept a Power of Attorney, duly signed by a citizen for almost any activity and Internal Revenue Service not accept this same Common Law document? The profession over its many years has included all its participants, the attorney, the CPA, the EA, all doing what they are best at, and include the unenrolled as additional responsible persons. We have been involved in this tax profession for a great number of years and feel that the professional organization must have Internal Revenue Service accept us as "partners", in as much we offer what the Internal Revenue Services needs from the professional community and their relationship with the taxpayer community.

To: IRS CCPA: LPD: PR (Notice 2009-60)

IRS has pages and pages of monetary fines it can assess tax preparers for faulty returns. One has to ask why this approach does not seem to work. CPA's and EA's take exams and they seem to cause errors, often on purpose, that cause the greatest monetary loss to the treasury. Practitioners that only file FORM 1040's need education and background checks as exams don't seem to correct the "big boys".

Recommendations:

1. All practitioners be required to obtain a completed finger print card from their local law enforcement and submit that to IRS.
2. All practitioners fill out a form similar to the application for e-filers and send that with the fingerprint card.
3. All practitioners be require to attend IRS sanctioned education classes and submit the CPE certificate along with items in 1 & 2.
4. IRS to evaluate items submitted and provide each practitioner with an P ID number. All FORM 1040's submitted by practitioners or tax organizations MUST have the individual P ID number to be accepted.
5. Increase fines.

In summary I am convinced that exams will not work because tax firms will teach the exam with no ethics or real rounded education.

Wallace Philbrook